

FILED CLERK, U.S. DISTRICT COURT	
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CENTRAL DISTRICT OF CALIFORNIA	
BY:	TV DEPUTY

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2023 Grand Jury

UNITED STATES OF AMERICA,

CR No. 2:23-cr-00600-MWF

Plaintiff,

I N D I C T M E N T

v.

[18 U.S.C. § 1956(h): Conspiracy to Commit Money Laundering; 18 U.S.C. § 1349: Conspiracy to Commit Bank Fraud]

CHRISTOPHER FAGON,
aka "Broker,"
aka "Christopher Broker,"
aka "Chris Fasen,"
aka "Chris B," and
JAMES WESLEY JACKSON III,
aka "Imperial,"

Defendants.

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 1956(h)]

[ALL DEFENDANTS]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1. Defendant CHRISTOPHER FAGON, also known as ("aka") "Broker," aka "Christopher Broker," aka "Chris Fasen," aka "Chris B," was a resident of Los Angeles, California.

1 2. Defendant JAMES WESLEY JACKSON III, also known as
2 "Imperial," was a resident of Los Angeles, California.

3 3. Co-conspirator CC-1 resided in Canada.

4 4. Defendant JACKSON exercised control over Imperial Luxury
5 Rentals LLC ("Imperial LLC"), a Florida corporation for which
6 defendant JACKSON's mother was the registered agent.

7 5. Wells Fargo Bank, N.A. ("Wells Fargo"), Bank of America,
8 N.A. ("BOFA"), and JPMorgan Chase Bank, N.A. ("Chase") were each a
9 federally-insured financial institution.

10 6. Defendant JACKSON had signature authority and exercised
11 control over an account at Wells Fargo in Imperial LLC 's name ending
12 in -4066 (the "Imperial LLC Account").

13 7. A "grandparent scam" or "relative-in-distress scam" was a
14 fraudulent scheme using interstate and international wire
15 communications, including telephone calls. Scammers would contact
16 victims throughout the United States pretending to be relatives of
17 the victims, such as a grandchild, and pretending to be persons in
18 contact with the victims' relatives, such as a lawyer or law
19 enforcement officer. The scammers would falsely claim that the
20 victims' relatives were in legal jeopardy or otherwise in distress,
21 and that the victims' relatives needed the victims to assist by
22 sending them money. The scammers would instruct the victims, most of
23 whom were older adults, to send the purportedly necessary money to
24 bank accounts, business entities, and physical addresses specified by
25 the scammers, using interstate wires and cashier's checks sent by
private commercial carrier, for the supposed purpose of assisting the
relatives in distress. In fact, the victims' relatives were not in
distress and did not need and had not requested the money.

1 8. C.H. of Pennsylvania, V.G. of Florida, F.P.N. of Wisconsin,
2 A.B. of Texas, J.Z. of Fresno, California, and R.S. of Anaheim,
3 California, were victims of grandparent scams.

4 9. A "Money Mule" was a person who agreed, at the request of
5 an associate, to (a) use one or more bank accounts nominally or
6 actually controlled by the Money Mule ("Money Mule Accounts") to
7 receive and transfer money as directed by the associate, and/or
8 (b) receive cashier's checks at addresses to which the Money Mule had
9 access and transfer and negotiate the cashier's checks as directed by
10 the associate.

11 10. Money Mule Account-1 was a business entity account at Chase
12 established by Money Mule-1, an associate of defendant FAGON.

13 11. Money Mule Account-2 was a business entity account at Wells
14 Fargo Bank under the signature authority of Money Mule-2, an
15 associate of defendant FAGON.

16 12. Money Mule Account-3 was a business entity account at Chase
17 controlled by Money Mule-3, an associate of defendant JACKSON.

18 13. Money Mule-4 was a resident of West Hollywood, California,
19 and an associate of defendant JACKSON.

20 B. THE OBJECTS OF THE CONSPIRACY

21 14. Beginning on a date unknown, but no later than in or about
22 June 2019, and continuing through at least on or about January 19,
23 2021, in Los Angeles County, within the Central District of
24 California, and elsewhere, defendants FAGON and JACKSON knowingly
25 conspired with one another, and others known and unknown to the Grand
Jury, to commit the following offenses against the United States:

27 a. Knowing that the property involved in financial
28 transactions affecting interstate and foreign commerce represented

1 the proceeds of some form of unlawful activity, and which property
2 was, in fact, the proceeds of specified unlawful activity, namely,
3 wire fraud, in violation of Title 18, United States Code, Section
4 1343, conducting and attempting to conduct such financial
5 transactions, knowing that the transactions were designed in whole
6 and in part to conceal and disguise the nature, location, source,
7 ownership, and control of the proceeds of such specified unlawful
8 activity, in violation of Title 18, United States Code, Section
9 1956(a)(1)(B)(i); and

10 b. knowingly engaging and attempting to engage in
11 monetary transactions involving criminally derived property of a
12 value greater than \$10,000, which property represented the proceeds
13 of specified unlawful activity, namely, wire fraud, in violation of
14 Title 18, United States Code, Section 1343, in violation of Title 18,
15 United States Code, Section 1957(a).

16 C. THE MANNER AND MEANS OF THE CONSPIRACY

17 15. The objects of the conspiracy were to be carried out, and
18 were carried out, in substance, as follows:

19 a. Defendant FAGON would recruit his friends and
20 associates, including defendant JACKSON, to be Money Mules.
21 Defendant JACKSON would also recruit friends and associates to be
22 Money Mules.

23 b. Defendants FAGON and JACKSON would direct the Money
24 Mules to use new and pre-existing business entities and bank accounts
25 to receive and transmit money. Defendants FAGON and JACKSON would
26 obtain from the Money Mules their business entity names and Money
27 Mule Account identifiers.

1 c. In addition, defendant FAGON, others acting at his
2 direction, and other known and unknown co-conspirators, would:
3 (a) obtain the personal identifying information of unwitting third
4 parties ("ID theft victims"); (b) create new business entities using
5 the names of the ID theft victims, and associate with those business
6 entities physical addresses to which defendant FAGON and others
7 associated with him had access; and (c) open bank accounts ("ID Theft
8 Accounts") in the names of those business entities and under the
9 false and forged signature authority of the ID theft victims.
10 Thereafter, defendant FAGON, and others acting together with him and
11 at his direction, including defendant JACKSON, would exercise control
12 over the ID Theft Accounts.

13 d. Defendants FAGON and JACKSON, and Money Mules
14 associated with them and acting at their direction, would receive
15 funds, including funds sent by victims of grandparent scams, via wire
16 transfers and the deposit of cashier's and other checks payable to
17 business entities, into Money Mule Accounts and ID Theft Accounts.

18 e. Defendant FAGON and JACKSON would conduct, engage in,
19 and cause to be executed from the Money Mule Accounts and ID Theft
20 Accounts, financial and monetary transactions with and involving wire
21 fraud proceeds, including the grandparent scam proceeds, including
22 monetary transactions involving more than \$10,000 of such proceeds,
23 transactions between and among business entities they controlled, and
24 transactions for their own personal benefit.

25 f. Through the use of the business entities, Money Mules,
26 Money Mule Accounts, ID Theft Accounts, and false statements,
27 defendants FAGON and JACKSON and their co-conspirators would execute
28 such financial transactions, and cause such financial transactions to

1 be executed, knowing and intending that such transactions would
2 conceal and disguise the nature, location, ownership, and control of
3 the wire fraud proceeds, including the grandparent scam proceeds.

4 16. Defendants FAGON and JACKSON, and other known and unknown
5 co-conspirators, caused more than \$2 million in grandparent scam
6 proceeds to be laundered through Money Mule Accounts and ID Theft
7 Accounts.

8 D. OVERT ACTS

9 17. In furtherance of the conspiracy, and to accomplish its
10 objects, defendants FAGON and JACKSON, on or about the following
11 dates, committed and willfully caused others to commit the following
12 overt acts, among others, within the Central District of California
13 and elsewhere:

14 Overt Act No. 1: On August 22, 2019, in response to an
15 inquiry from a bank representative regarding \$150,000 wired by scam
16 victim C.H. to an account controlled by defendant FAGON, defendant
17 FAGON falsely advised the investigator that the reason for the
18 transfer was that defendant FAGON had done a business transaction for
19 scam victim C.H.'s vendor regarding an e-commerce project defendant
20 FAGON had done in July.

21 Overt Act No. 2: On April 9, 2020, defendant FAGON caused
22 \$40,000 traceable to funds sent by scam victim V.G. as a result of a
23 grandparent scam to be transferred electronically from Money Mule
24 Account-1 to another business account controlled by Money Mule-1.

25 Overt Act No. 3: Responding to an inquiry from a bank
26 representative regarding activity in Money Mule Account-2, on April
27 29, 2020, defendant FAGON identified himself to the bank

1 representative using a false last name in order to conceal his true
2 identity.

3 Overt Act No. 4: On July 7, 2020, after defendant FAGON and
4 defendant JACKSON discussed whether defendant JACKSON had any bank
5 accounts available to receive money, defendant JACKSON said "I'm not
6 opening additional accounts until I see one pass through. In the off
7 chance something happens I'll need to open legit accounts at a
8 different bank and if all got closed for whatever reason it's [too]
9 much exposure."

10 Overt Act No. 5: On July 13, 2020, defendant FAGON caused
11 Cambridge Real Estate LLC ("Cambridge") to be falsely registered as a
12 California Limited Liability Company ("LLC") controlled by ID Theft
13 Victim M.L.

14 Overt Act No. 6: On July 13, 2020, defendant FAGON advised
15 CC-1 that Cambridge and Spartans Investments LLC ("Spartans") were
16 business entities available to be used to receive money.

17 Overt Act No. 7: On July 13, 2020, defendant FAGON advised
18 CC-1 that banks were investigating money traceable to scam victims
19 and others that had been deposited to accounts that defendant FAGON
20 and his Money Mules controlled, and that "it's all being deemed
21 fraud."

22 Overt Act No. 8: On July 14, 2020, defendant FAGON caused
23 Spartans to be falsely registered as a California LLC controlled by
24 ID theft victim T.S., with a mailing address on St. Paul Avenue in
25 Los Angeles, California (the "St. Paul address").

26 Overt Act No. 9: On July 14, 2020, defendant FAGON caused a
27 cashier's check for \$75,000, payable to Imperial LLC, to be sent by
28 scam victim F.P.N. to the St. Paul address.

1 Overt Act No. 10: On July 15, 2020, defendant FAGON advised
2 CC-1 that defendant JACKSON was getting an Employer Identification
3 Number, and there would be three new LLCs.

4 Overt Act No. 11: On July 15, 2020, defendant FAGON told
5 defendant JACKSON, "I got the check / \$75k," and thereafter arranged
6 to meet defendant JACKSON.

7 Overt Act No. 12: On July 16, 2020, defendants FAGON and
8 JACKSON caused scam victim F.P.N.'s \$75,000 cashier's check to be
9 deposited in Los Angeles, California, into the Imperial LLC account.

10 Overt Act No. 13: On July 16, 2020, in response to defendant
11 FAGON's request to "send picture of deposit pls," defendant JACKSON
12 sent a photograph of a deposit slip showing the deposit of scam
13 victim F.P.N.'s \$75,000 check into the Imperial Account.

14 Overt Act No. 14: On July 16, 2020, referring to the \$75,000
15 check deposit, defendant JACKSON told defendant FAGON, "First and
16 last one through my account. Everything else through dummies[.]"

17 Overt Act No. 15: On July 17, 2020, defendant FAGON caused a
18 cashier's check for \$45,000, payable to Imperial LLC, to be sent by
19 scam victim A.B. to the St. Paul address.

20 Overt Act No. 16: On July 17, 2020, before leaving the United
21 States for Canada, defendant FAGON told defendant JACKSON that
22 defendant FAGON had left a "burner phone" by defendant JACKSON's golf
23 clubs, and asked defendant JACKSON to take the phone in case any
24 banks called wishing to speak to a signatory on Money Mule Accounts
25 associated with defendant FAGON.

26 Overt Act No. 17: On July 22, 2020, defendants FAGON and
27 JACKSON caused scam victim A.B.'s \$45,000 cashier's check to be
28 deposited in Los Angeles, California, into the Imperial LLC account.

1 Overt Act No. 18: On July 24, 2020, defendants FAGON and
2 JACKSON caused approximately \$24,835.29, more than \$10,000 of which
3 was traceable to the funds from scam victims A.B. and F.P.N., to be
4 wired from the Imperial LLC account to an account in Canada.

5 Overt Act No. 19: On August 3, 2020, defendant FAGON caused to
6 be opened at BOFA an account ending 2985 in the name of Cambridge,
7 under the false signature authority of ID theft victim M.L.

8 Overt Act No. 20: On August 11, 2020, defendant FAGON caused
9 to be opened at BOFA an account ending 2753 in the name of Spartans,
10 under the false signature authority of ID theft victim T.S.

11 Overt Act No. 21: On August 13, 2020, defendant FAGON caused
12 approximately \$102,987 to be wired by scam victim J.Z. to the BOFA
13 Spartans account ending 2753.

14 Overt Act No. 22: On September 5, 2020, defendant FAGON caused
15 a phone call to be made to a BOFA representative by someone
16 impersonating ID theft victim T.S., reporting that "T.S." had not
17 received a check representing the balance remaining to the credit of
18 the BOFA Spartans account ending 2753, and requesting the tracking
19 number for the bank's shipment of such check.

20 Overt Act No. 23: On October 1, 2020, defendant FAGON caused
21 approximately \$80,000 to be wired by scam victim R.S. to the
22 Cambridge account ending 2985.

23 Overt Act No. 24: On October 7, 2020, defendants FAGON and
24 JACKSON caused approximately \$53,016.46, some of which was traceable
25 to scam victim R.S.'s funds, to be wired from the Cambridge 2985
26 account to Money Mule Account-3 at Chase.

1 Overt Act No. 25: On October 8, 2020, defendant FAGON caused
2 approximately \$75,000 to be wired by scam victim R.S. to the
3 Cambridge 2985 account.

4 Overt Act No. 26: On October 9, 2020, defendant JACKSON caused
5 approximately \$50,000 to be wired from Money Mule Account-3 to
6 another business account, for the benefit of defendant JACKSON.

7 Overt Act No. 27: On November 19, 2020, defendant JACKSON
8 caused Money Mule-4 to call BOFA, impersonate ID theft victim T.S.,
9 and request that BOFA send to Money Mule-4's West Hollywood address a
10 check for the approximately \$80,000 balance remaining to the credit
11 of the BOFA Spartans account ending 2753.

12 Overt Act No. 28: On December 2, 2020, defendant JACKSON
13 caused Money Mule-4 to contact BOFA, impersonate ID theft victim
14 T.S., and request the status of BOFA's distribution of the
15 approximately \$80,000 balance remaining to the credit of the BOFA
16 Spartans account ending 2753.

17 Overt Act No. 29: On December 10, 2020, defendant JACKSON
18 caused BOFA to issue check number 38395000 for approximately
19 \$82,807.27 payable to Spartans, more than \$10,000 of which was
20 traceable to scam victim J.Z.'s funds.

21 Overt Act No. 30: On December 18, 2020, defendant JACKSON
22 caused "Spartans Investments LLC" to be established in Florida as a
23 Limited Liability Company ("Florida Spartans"), and himself to be
24 listed as the authorized manager.

25 Overt Act No. 31: On January 6, 2021, defendant JACKSON caused
26 check number 38395000, traceable to scam victim J.Z.'s funds, to be
27 deposited at JPMorgan Chase Bank, as a split deposit to accounts
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1 defendant JACKSON controlled ending -8387 and -5905 in the name of
2 Florida Spartans.

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1 COUNT TWO

2 [18 U.S.C. § 1349]

3 [ALL DEFENDANTS]

4 18. The Grand Jury realleges paragraphs 1 through 13 and 15
5 through 17 of this Indictment here.

6 A. THE OBJECT OF THE CONSPIRACY

7 19. Beginning on a date unknown, but no later than on or about
8 September 4, 2020, and continuing through at least approximately
9 January 19, 2021, in Los Angeles County, within the Central District
10 of California, and elsewhere, defendants FAGON and JACKSON conspired
11 with one another, Money Mule-4, and others known and unknown to the
12 Grand Jury, to commit bank fraud, in violation of Title 18, United
13 States Code, Section 1344(2).

14 B. THE MANNER AND MEANS OF THE CONSPIRACY

15 20. The object of the conspiracy was to be carried out, and was
16 carried out, in substance, as follows:

17 a. Defendants FAGON and JACKSON would contact, and cause
18 Money Mule-4 and others to contact, BOFA for the purpose of
19 persuading BOFA to release all funds BOFA held remaining to the
20 credit of the BOFA Spartans account ending 2753.

21 b. When contacting BOFA for this purpose, defendants
22 FAGON and JACKSON, and co-conspirator Money Mule-4, acting with
23 intent to defraud, would falsely claim to be the nominal account
24 holder, ID theft victim T.S., and would cause others to make the same
25 false claim.

26 c. Defendant JACKSON, and co-conspirator Money Mule-4
27 acting at his direction, would request that BOFA send a check for
28 approximately \$82,000, representing the funds remaining to the credit

1 of the BOFA Spartans account ending 2753, to Money Mule-4's address
2 in West Hollywood, California.

3 d. Co-conspirator Money Mule-4 would agree to provide the
4 check from BOFA to defendant JACKSON.

5 e. Defendant JACKSON would deposit the check into one or
6 more accounts he controlled.

7 C. OVERT ACTS

8 21. In furtherance of the conspiracy, and to accomplish its
9 object, defendants FAGON and JACKSON, and other co-conspirators,
10 including Money Mule-4, on or about the following dates, committed
11 and willfully caused others to commit the following overt acts, among
12 others, within the Central District of California and elsewhere:

13 Overt Act No. 1: On September 5, 2020, defendant FAGON caused
14 a phone call to be made to a BOFA representative by someone
15 impersonating ID theft victim T.S., reporting that "T.S." had not
16 received a check representing the balance remaining to the credit of
17 the BOFA Spartans account ending 2753, and requesting the tracking
18 number for the bank's shipment of such check.

19 Overt Act No. 2: On November 19, 2020, defendant JACKSON
20 caused co-conspirator Money Mule-4 to call BOFA, knowingly
21 impersonate ID theft victim T.S., and request that BOFA send to co-
22 conspirator Money Mule-4's West Hollywood address a check for the
23 approximately \$80,000 balance remaining to the credit of the BOFA
24 Spartans account ending 2753.

25 Overt Act No. 3: On December 2, 2020, defendant JACKSON
26 caused co-conspirator Money Mule-4 to contact BOFA, impersonate ID
27 theft victim T.S., and request the status of BOFA's distribution of

1 the approximately \$80,000 balance remaining to the credit of the BOFA
2 Spartans account ending 2753.

3 Overt Act No. 4: On December 10, 2020, defendant JACKSON
4 caused BOFA to issue check number 38395000 for approximately
5 \$82,807.27 payable to Spartans.

6 Overt Act No. 5: On December 18, 2020, co-conspirator Money
7 Mule-4 told defendant JACKSON, "We got the check / Can I get
8 lobster?? Lol."

A TRUE BILL

/S/
Foreperson

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